
October 1, 2002



Environmental Programs

DoD Integrated Natural Resources
Management Plans
(D-2003-001)

Department of Defense
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Quality

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Acronyms

| | |
|-------|--|
| INRMP | Integrated Natural Resources Management Plan |
| MCB | Marine Corps Base |
| MOU | Memorandum of Understanding |
| USFWS | U.S. Fish and Wildlife Service |



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

October 1, 2002

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF DEFENSE
(INSTALLATIONS AND ENVIRONMENT)
ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL MANAGEMENT AND COMPTROLLER)
AUDITOR GENERAL, DEPARTMENT OF THE ARMY
NAVAL INSPECTOR GENERAL

SUBJECT: Report on DoD Integrated Natural Resources Management Plans
(Report No. D-2003-001)

We are providing this report for review and comment. We considered management comments on a draft of this report when preparing the final report.

DoD Directive 7650.3 requires that all recommendations be resolved promptly. As a result of management comments, we deleted Recommendation 3. The Army comments were partially responsive. We request that the Army provide additional comments on Recommendation 2.a.(2) by December 2, 2002.

If possible, please provide management comments in electronic format (Adobe Acrobat file only). Send electronic transmission to the e-mail addresses cited in the last paragraph of this memorandum. Copies of the management comments must contain the actual signature of the authorizing official. We cannot accept the / Signed / symbol in place of the actual signature.

We appreciate the courtesies extended to the staff. For additional information on this report, please contact Mr. William C. Gallagher at (703) 604-9270 (DSN 664-9270) (wgallagher@dodig.osd.mil) or Michael R. Herbaugh at (703) 604-9294 (DSN 664-9294) (mherbaugh@dodig.osd.mil). See Appendix B for the report distribution. Team members are listed inside the back cover.

David K. Steensma

Davis K. Steensma
Deputy Assistant Inspector General
for Auditing

Office of the Inspector General of the Department of Defense

Report No. D-2003-001

(Project No. D2001CK-0150)

October 1, 2002

DoD Integrated Natural Resources Management Plans

Executive Summary

Who Should Read This Report and Why? This report should be of interest to DoD readiness, environmental, and natural resources managers or to others concerned with DoD stewardship of natural resources on its properties.

Background. The Sikes Act Improvement Amendments, Public Law 105-85, "Sikes Act Improvement Act of 1997," November 18, 1997, requires that installations with significant natural resources prepare and implement by November 18, 2001, integrated natural resources management plans in cooperation with the U.S. Fish and Wildlife Service and appropriate State fish and wildlife agencies. The plans should reflect mutual agreements of the three parties concerning conservation, protection, and management of fish and wildlife resources on the installation.

Results. DoD had made a positive effort to implement the requirements of the Sikes Act Improvement Amendments, but full implementation has proven difficult, and additional management action is needed. DoD completed 311 of 375 plans (83 percent) by the November 18, 2001, deadline and an additional 37 plans were completed by June 10, 2002. Installations also coordinated the plans, as required, with the U.S. Fish and Wildlife Service and State fish and wildlife agencies. However, the process can be improved. Of the 10 installations visited, 8 could not match integrated natural resources management plan projects to budget documentation. All 10 of the installations did not have methods to adequately monitor implementation of the plans, and DoD did not take advantage of an opportunity to manage with other agencies natural resources on military lands. DoD did not know the extent to which installations were accomplishing goals and objectives identified in their plans. DoD also had an increased risk for critical habitat designations and litigation, which could negatively affect military mission capabilities. The Deputy Under Secretary of Defense (Installations and Environment) and the Services should work aggressively to coordinate and complete all remaining plans. In addition, the Deputy Under Secretary of Defense (Installations and Environment) and the Services must establish a coordination process with the U.S. Fish and Wildlife Service, reconcile the number of plans required and coordinated with the U.S. Fish and Wildlife Service, and issue policy to prepare, coordinate, and implement the plans.

Management Comments and Audit Response. The Deputy Under Secretary of Defense (Installations and Environment) and the Services generally concurred with the findings except for certain statements. The Army stated the finding did not adequately address critical habitat and that the issue of no net loss to military lands in support of the

military mission is broader than critical habitat or the Endangered Species Act and the solution should have more substantive military influence before being subjected to the coordination process. The Navy updated the tables that showed the status of Navy integrated natural resources management plans. The Navy also discussed accomplishments in monitoring implementation of integrated natural resources management plans projects and that the Navy has a system to match the budget data and integrated natural resources management plan projects. The Air Force took exception with the finding statements relative to Air Force compliance with the Sikes Act Improvement Amendments. The Deputy Under Secretary of Defense (Installations and Environment) and the Air Force generally concurred with all recommendations. The Army and the Navy concurred with recommendations except they nonconcurred with involving the Regional Environmental Coordinators in the integrated natural resources management plan process. The Army also nonconcurred with the recommendation for resolving stewardship issues regarding no net loss of military lands. See the Finding section of the report for a discussion of management comments and the Management Comments section of the report for the complete text of the comments.

We agree with the Army that applying the no net loss aspect of the Sikes Act Improvement Amendments is difficult because legal requirements, such as the Endangered Species Act, could cause a net loss on land use capability. We recognize the ability of Commander, Navy Region Southeast to track the integrated natural resources management plan budget and recent steps the region has taken to match projects to specific environmental program requirements. However, separate systems for tracking budget data and documenting the completion of integrated natural resources management plan projects are not sufficient for monitoring progress towards implementation. We acknowledge that the Air Force made efforts to resolve issues and provide guidance for preparing, funding, and publishing integrated natural resources management plans. However, 23 Air Force installations did not publish integrated natural resources management plans prior to the November 18, 2001, deadline. Based on comments, we deleted the draft recommendation on involving Regional Environmental Coordinators with the U.S. Fish and Wildlife Service regions in the integrated natural resources management plan process. We disagree with the Army nonconcurrence on coordination for resolving stewardship issues regarding no net loss of military lands. Our recommendation for coordination is the result of difficulties reported in the development of integrated natural resources management plans. If implemented, the recommended coordination process should include all issues associated with no net loss of military lands to support the military mission and preclude difficulties during the integrated natural resources management plan 5-year review process. Because the Army comments were partially responsive, we request that the Army reconsider our recommendation for resolving stewardship issues and provide additional comments on the final report by December 2, 2002.

Table of Contents

| | |
|---|----|
| Executive Summary | i |
| Background | 1 |
| Objectives | 3 |
| Finding | |
| Compliance with the Sikes Act Improvement Amendments | 4 |
| Appendixes | |
| A. Scope and Methodology | |
| Scope and Methodology | 16 |
| Management Control Program Review | 17 |
| Prior Coverage | 18 |
| B. Report Distribution | 19 |
| Management Comments | |
| Deputy Under Secretary of Defense (Installations and Environment) | 21 |
| Department of the Army | 26 |
| Department of the Navy | 30 |
| Department of the Air Force | 37 |

Background

Sikes Act. The Sikes Act was passed on September 15, 1960, to promote the planning, development, maintenance, and coordination of wildlife, fish, and game conservation as well as rehabilitation on military reservations. Throughout the years, the Sikes Act has been amended to address all aspects of natural resources management and include a requirement for DoD to have cooperative natural resources management plans with the Department of Interior and appropriate State agencies.

Sikes Act Improvement Amendments. Public Law 105-85, “Sikes Act Improvement Act of 1997,” November 18, 1997, amended the Sikes Act. The Sikes Act Improvement Amendments (the Act) require the Secretary of each Military Department to prepare and implement an integrated natural resources management plan (INRMP) for each military installation in the United States under the jurisdiction of the Secretary, unless the Secretary determines that the absence of significant natural resources on a particular installation makes preparation of a plan inappropriate. DoD installations were required to prepare and begin implementing their plans by November 18, 2001. However, the Act does have a grandfather clause for existing cooperative plans. The Act states that in the case of any installation for which a cooperative plan was in effect as of November 17, 1997, the Secretary of each Military Department may complete negotiations with the Secretary of the Interior, acting through the Director of the U. S. Fish and Wildlife Service (USFWS), and the heads of the appropriate State agencies regarding changes that are necessary for the plan to constitute an INRMP. A cooperative plan is a mutually agreed-upon plan the Secretary of Defense, the Secretary of the Interior, and the appropriate State agency create to provide for natural resources conservation and rehabilitation on military reservations pursuant to Sikes Act prior to the November 18, 1997, amendments. In addition, the Act states that installations should review their plans regularly and revise them at intervals of not more than 5 years.

INRMPs. The Act states that the Secretary of each Military Department shall carry out the INRMP program for conserving and rehabilitating natural resources on military installations consistent with the use of military installations to ensure the preparedness of the Armed Forces. The Act requires that plans should:

- provide for no net loss in the capability of military installation lands to support the military mission of the installation;
- integrate natural resources management activities and objectives into mission-related activities and objectives (include a history and mission of the installation, up-to-date biological information and inventories of the installation’s known natural resources, goals, and objectives for managing natural resources) and identify actions and procedures required to meet natural resources management goals; and

-
- provide for fish and wildlife management, land management, forest management, and fish and wildlife-oriented recreation.

INRMP Coordination. The Act requires that the Secretaries of the Military Departments prepare plans in cooperation with the USFWS and appropriate State fish and wildlife agencies. The resulting plans shall reflect mutual agreement of the three parties concerning conservation, protection, and management of fish and wildlife resources on the installation. The Secretary of each Military Department must also provide an opportunity for the submission of public comments on proposed plans.

Reporting. The Act requires that the Secretary of Defense review the extent to which plans were prepared or were in effect and implemented during the previous year, and report that information to Congress no later than March 1 of each year. The report shall include the number of plans in effect during the previous year, the date issued or revised, the amounts expended on implementing the plans, and whether the plans comply with the Sikes Act. In the FY 2001 Defense Environmental Quality Program Annual Report to Congress, DoD reported all but 39 plans were completed by the November 18, 2001, deadline, and 90 percent of the remaining plans were complete but were in coordination with USFWS or State fish and wildlife officials. In addition, DoD reported spending \$43,177,244 on implementing INRMP requirements in FY 2001.

DoD Policy. DoD Instruction 4715.3, “Environmental Conservation Program,” May 3, 1996, states that plans are to be prepared, maintained, and implemented for all lands and waters under DoD control that have suitable habitat for conserving and managing natural ecosystems. The instruction provides a listing of general and specific contents of an INRMP. The instruction requires that installations review plans annually and update plans at least every 5 years.

In addition, the instruction states that all natural resources compliance requirements shall be categorized based on the Environmental Quality Conservation Compliance Classes. Programming and budgeting priorities for the conservation programs include Class 0—recurring compliance requirements, Class I—current compliance, Class II—maintenance requirements, and Class III—enhancement actions beyond compliance. All projects in Classes 0, I, and II shall be funded consistently with timely execution to meet compliance deadlines. Also, the instruction requires that DoD monitor the implementation of INRMPs and include those plans as part of internal and external environmental compliance assessments.

Endangered Species Act of 1973. The Endangered Species Act of 1973 gives the Secretary of the Interior authority to list, protect, and recover threatened and endangered species. The Secretary of the Interior has delegated responsibility for administering the Endangered Species Act to the USFWS. In conjunction with listing a species, USFWS is authorized to designate a critical habitat for the listed species and to develop management plans for the recovery of the listed species. The Sikes Act does not affect any provision of a Federal law governing the

conservation and protection of fish and wildlife resources. INRMPs must, therefore, provide for enforcement of natural resource laws; and DoD must implement the plans within the scope of the Endangered Species Act.

Consultations. Section 7 of the Endangered Species Act requires that DoD formally consult with the USFWS on any proposed action likely to adversely affect a threatened or endangered species or critical habitats. Section 7 consultations may take 150 days or more and result in the issuance of a biological opinion by USFWS to DoD. The biological opinion outlines the conditions under which DoD may proceed with the proposed action in order to remain compliant with the Endangered Species Act.

Critical Habitat. Critical habitat is a specific geographical area that the USFWS has designated essential to the survival and recovery of a threatened or endangered species or a segment of its population based on the best scientific and commercial data available. Critical habitat could include areas that are inhabited by threatened or endangered species and uninhabited areas that are suitable for the species to exist. USFWS must consider the potential affects, economic or otherwise, of designating a particular area as a critical habitat. When the benefits of exclusion outweigh the benefits of designation of a critical habitat, the designation may be forgone. Alternately, if special management considerations or protections are in place, no need to designate critical habitat may exist. USFWS has made 182 critical habitat proposals and designations at 57 installations.

Effects of Critical Habitat Designations. A critical habitat designation requires special planning and management activities that can restrict or adversely affect DoD training and testing missions. The House of Representatives version of the FY 2003 Defense Authorization Bill contains language that would qualify INRMPs as “special management plans” and would negate the need for future critical habitat designations if the plan provides conservation benefits to the specific species, provides certainty that the plan will be implemented, and ensures that the conservation effort will be effective. Exemption of critical habitat designation does not absolve a DoD installation from addressing already listed species and Section 7 consultations.

Objectives

The audit objectives were to review DoD installation processes for budgeting INRMP projects and to determine whether DoD coordinated INRMPs with USFWS and appropriate State fish and wildlife agencies and met the deadline for completion and update of INRMPs. We also reviewed the management control program as it related to the audit objectives. See Appendix A for a discussion of the scope and methodology, our review of the management control program, and prior coverage.

Compliance with the Sikes Act Improvement Amendments

DoD had completed 311 of 375 INRMPs (83 percent) by the November 18, 2001, deadline, and installations coordinated the plans with the USFWS and State fish and wildlife agencies. However, the INRMP process can be improved to meet the expectations of all parties concerning the coordination and contents of the plans. In addition, 8 of 10 installations visited could not match INRMP projects to budget documentation. All 10 installations visited did not have methods in place to adequately monitor the implementation of the plans. The conditions occurred because the Office of the Deputy Under Secretary of Defense (Installations and Environment) and the Services did not:

- resolve issues for completing plans,
- resolve issues and establish procedures for coordinating plans with USFWS and State agencies,
- establish procedures for integrating INRMP implementation with budget documentation, and
- establish procedures for tracking the implementation of the plans.

As a result, DoD did not take full advantage of an opportunity to effectively manage natural resources on military lands in cooperation with the USFWS and State fish and wildlife agencies. Also, DoD did not know the extent to which installations were accomplishing goals and objectives identified in their plans. Further, DoD had an increased risk for critical habitat designations and litigation, which could negatively affect military mission capabilities.

Status of DoD INRMPs

As of November 18, 2001, DoD completed 311 (83 percent) of the 375 INRMPs required by the Act. The remaining 64 plans (17 percent) were incomplete for the following reasons:

- 46 plans (12 percent) were in draft form awaiting concurrence from the USFWS or the State fish and wildlife agencies. Delays occurred because installations did not give the reviewing agencies sufficient time to review the plans, the reviewing agencies took an extensive amount of time to review the plans, or installations and the reviewing agencies were in the process of resolving disagreements over the contents of the plans;
- Four plans (1 percent) were delayed by litigation; and

- 14 plans (4 percent) were delayed because the installations were unable to complete a draft plan for reasons such as late funding, contract re-solicitation for INRMP preparation, or consultation with the USFWS. Table 1 shows the status of DoD INRMPs by DoD Component.

Table 1. Status of DoD INRMPs as of November 18, 2001*

| | <u>Plans Required</u> | <u>Plans Finalized</u> | <u>Drafts in Review</u> | <u>Drafts in Litigation</u> | <u>Incomplete Drafts</u> |
|--------------------------|---------------------------|----------------------------|-----------------------------|---------------------------------|------------------------------|
| Army | 178 | 165 | 8 | 1 | 4 |
| Navy | 87 | 65 | 18 | 0 | 4 |
| Air Force | 92 | 69 | 17 | 1 | 5 |
| Marine Corps | 15 | 11 | 1 | 2 | 1 |
| Defense Logistics Agency | <u>3</u> | <u>1</u> | <u>2</u> | <u>0</u> | <u>0</u> |
| Total | 375 | 311 | 46 | 4 | 14 |

*Data provided by Services; numbers not validated in the field.

As of June 10, 2002, DoD completed 348 (93 percent) of the 375 plans the Act required. Although the number of plans in litigation remained the same, the number of incomplete drafts and drafts in review decreased by 69 percent and 59 percent respectively. Table 2 shows the status of DoD INRMPs by DoD Component.

Table 2. Status of DoD INRMPs as of June 10, 2002*

| | <u>Plans Required</u> | <u>Plans Finalized</u> | <u>Drafts in Review</u> | <u>Drafts in Litigation</u> | <u>Incomplete Drafts</u> |
|--------------------------|---------------------------|----------------------------|-----------------------------|---------------------------------|------------------------------|
| Army | 178 | 171 | 4 | 1 | 2 |
| Navy | 87 | 81 | 5 | 0 | 1 |
| Air Force | 92 | 82 | 8 | 1 | 1 |
| Marine Corps | 15 | 12 | 1 | 2 | 0 |
| Defense Logistics Agency | <u>3</u> | <u>2</u> | <u>1</u> | <u>0</u> | <u>0</u> |
| Total | 375 | 348 | 19 | 4 | 4 |

*Data provided by Services; numbers not validated in the field.

INRMP Coordination

DoD installations coordinated plans with USFWS and appropriate State fish and wildlife agencies. DoD and USFWS entered into a memorandum of understanding (MOU) that established a policy for cooperation and coordination

of plans. However, DoD, some USFWS offices, and State agencies had different expectations concerning the coordination process for INRMPs and contents of plans.

MOU between DoD and USFWS. The Deputy Under Secretary of Defense (Environmental Security) [now the Deputy Under Secretary of Defense (Installations and Environment)] and the Director of USFWS entered into an MOU on May 17, 1999. The MOU established a policy for cooperation and coordination between DoD and USFWS for the effective and efficient management of fish, wildlife, and plant resources on military lands. In accordance with the MOU, the USFWS will, subject to availability of funding and upon the request of DoD, participate in developing and updating plans for selected installations and expeditiously provide comments on newly developed or updated plans. The MOU also required that DoD and USFWS meet each December to review activities associated with the MOU, share information specified in the MOU, and establish a schedule of work for the upcoming year. DoD and USFWS officials established a core group with representatives from all of the Services to discuss and resolve issues concerning the coordination of plans between DoD installations and USFWS reviewing offices.

INRMP Preparation. The DoD guidance on the Act states that plans should be prepared in cooperation with the USFWS and the appropriate State fish and wildlife agencies to reflect a mutual agreement of the parties on the conservation, protection, and management of fish and wildlife resources. Officials from the Office of the Assistant Deputy Under Secretary of Defense (Environment) expected that the USFWS and State fish and wildlife agencies would work closely with DoD installations throughout the entire INRMP preparation process. USFWS officials also expected to be more involved in preparation of the plans. However, 6 out of 10 installations visited coordinated their plans by providing the draft plans to the reviewing offices for comment after preparing the initial draft plans without USFWS and State fish and wildlife agency involvement. DoD and Service guidance required coordination to take place, yet the guidance did not establish definitive parameters to ensure adequate coordination to meet the expectations of officials from the Office of the Assistant Deputy Under Secretary of Defense (Environment).

Interpretation of the Act. DoD and the California-Nevada Operations office in USFWS Region 1 had differing interpretations of the purpose and contents of plans. According to the Act, the plan should result in no net loss to military lands in support of the military mission. However, USFWS reviewing offices were concerned that plans did not place enough emphasis on stewardship of the land. For instance, the USFWS Carlsbad, California, office stated that the Marine Corps Base (MCB) Camp Pendleton, California, INRMP placed too much emphasis on the military mission and not enough emphasis on stewardship of the land. MCB Camp Pendleton officials defined stewardship as meeting statutory requirements while conserving the land to support the military mission. The MCB Camp Pendleton mission is heavily reliant on land use for extensive ground training. The USFWS Carlsbad office stated that the MCB Camp Pendleton stewardship role was to balance natural resource management with mission support and proactively manage the base natural resources. The conflicting definition of stewardship delayed the INRMP review process. In July 2001, the USFWS

Region 1 office issued guidance to their reviewing offices stating that environmental contaminants should be specifically discussed in all plans. However, DoD and USFWS headquarters had previously agreed that contaminants were to be referenced but not discussed in the plans.

INRMP Workload. Meetings between DoD and USFWS were unsuccessful in reconciling databases for consistency on the total number of installations requiring a plan. After the deadline for completion of the plans, DoD and USFWS status reports indicated differences in the number of installations required to complete a plan and the number of plans completed. Table 3 shows a comparison of the status of DoD INRMPs as reported by the USFWS and DoD.

Table 3. Comparison of the status of DoD INRMPs as of November 18, 2001, as reported by DoD and USFWS*

| | Plans <u>Required</u> | Plans <u>Finalized</u> |
|-------------------|--------------------------|---------------------------|
| Status per DoD | 375 | 311 |
| Status per USFWS | <u>335</u> | <u>214</u> |
| Difference | 40 | 97 |

*Data provided by Services and USFWS; numbers not validated in the field.

As of May 15, 2002, the Office of the Deputy Under Secretary of Defense (Installations and Environment), the Services, and USFWS officials were working together to resolve discrepancies in the number of plans required and number of plans considered complete by USFWS and DoD.

DoD and USFWS had not agreed on the involvement of each party in preparation of the plans and the purpose and contents of the plans. In addition, DoD and USFWS did not adequately plan the review process through reconciling the number of plans and establishing a workload schedule as the plans were available for review. Some USFWS and State fish and wildlife officials stated that they could not effectively plan and provide resources for the review of plans because installations did not give them sufficient notice of when they would receive the plans for review. DoD and USFWS should reaffirm their policy to cooperatively manage natural resources on military lands in accordance with the MOU. DoD could manage the INRMP program more effectively by implementing the MOU with USFWS to establish agreed-upon criteria for:

- determining INRMP purpose and contents,
- planning the review process, and
- notifying USFWS and State fish and wildlife agencies on INRMP status.

DoD should issue guidance that addresses agreements reached with USFWS to ensure efficient coordination when INRMP updates become due every 5 years. The schedules should stagger the review process so workload problems experienced during the recent review process are avoided.

Regional Environmental Coordinators. According to DoD Instruction 4715.2, “DoD Regional Environmental Coordination,” May 3, 1996, DoD Regional Environmental Coordinators are responsible for coordinating with regulatory agencies on regional environmental issues that affect multiple Services to ensure that DoD environmental policies are consistently interpreted and applied throughout the region. The coordinators should also consult with military commanders on environmental issues that affect training and operations and voice the position of DoD on these issues to the regulatory agencies. INRMP issues between DoD and USFWS are regionalized, affect multiple Services, and affect DoD training and operations. The Military Departments should, as appropriate, ensure that DoD Regional Environmental Coordinators are aware of policy or procedural differences between DoD and USFWS or State fish and wildlife agencies in the INRMP process, and if needed, participate in resolving disagreements.

INRMP Implementation

The Secretary of Defense is required to submit to Congress an annual report that includes funds expended on INRMP activities and an assessment of the extent to which the plans comply with the Act. However, 8 of the 10 DoD installations visited could not match INRMP projects to budget documentation. The Office of the Deputy Under Secretary of Defense (Installations and Environment) and the Services did not have a process to track the implementation of plans.

DoD INRMP Handbook. In March 2002, the Office of the Assistant Deputy Under Secretary of Defense (Environment) posted a handbook entitled “Resources for INRMP Implementation, A Handbook for the Natural Resources Manager,” on the Defense Environmental Network and Information Exchange. The handbook, which is a guide for the DoD installation natural resources manager to use for implementing the plan after it is prepared, addresses the use of funding, interagency agreements, cooperative agreements, and partnering to facilitate INRMP implementation. The handbook also addresses monitoring techniques when assessing whether INRMP goals and objectives were met. However, because the handbook covers the period of the plan after preparation, the plan contains no discussion concerning the coordination of plans with the USFWS and State fish and wildlife agencies. The handbook should discuss developing good working relationships with the USFWS and State fish and wildlife agencies to coordinate annual reviews and 5-year updates of the plans.

Funding INRMP Implementation. According to the Defense Environmental Quality Program Annual Reports to Congress, DoD installations spent \$66,144,017 in FY 1998, \$30,394,910 in FY 1999, \$38,815,054 in FY 2000, and \$43,177,244 in FY 2001 implementing their INRMP requirements. Funding sources for INRMP projects may include service operations and maintenance, forestry, agricultural outleases, and hunting and fishing revenues.

Service Headquarters Funding. Service headquarters officials stated that their policy is to fund all of the Class 0 and Class I INRMP requirements. However, the Services typically fund Class II and Class III INRMP projects only if additional funding is available.

INRMP Project Funding. The installations visited did not anticipate funding shortfalls that would preclude an ability to implement their plans, with the exception of Fort Hunter Liggett, California. Fort Hunter Liggett had unfunded obligations of \$569,000 in FY 2002, representing 76 percent of the funding required to implement the compliance-driven projects in its plan. At the other installations visited, compliance-driven INRMP projects had been included in their budgets. Air Force installations visited included only those projects that the installation expected would receive funding in their plans.

At 8 of the 10 installations visited, INRMP projects could not be matched to budget documentation because budget line items included multiple INRMP projects, and project costs were broken out among several budget line items to include salaries. In some cases, specific projects were not identified in the plan, only goals and objectives. Further, two installations visited did not list specific projects and budget information in their plans because they believed the installation would be subject to USFWS or public criticism if unable to complete the projects.

Tracking INRMP Implementation. The Office of the Deputy Under Secretary of Defense (Installations and Environment) and the Services did not have a process to effectively track implementation of INRMP projects. The conservation measure of merit used for the annual report to Congress used total dollars spent as the only measure of INRMP implementation. However, total dollars spent did not indicate whether INRMP projects had been funded and implemented.

The 10 DoD installations visited did not have methods in place to track how well INRMP projects were implemented. Army and Navy guidance does not address tracking INRMP implementation, and Air Force Instruction 32-7064, "Integrated Natural Resources Management," August 1, 1997, requires Air Force installations to develop a natural resource database that will store and update information to track program progress toward goals stated in the plan.

Without a process to effectively track the implementation of plans, the Office of the Deputy Under Secretary of Defense (Installations and Environment) and the Services cannot adequately monitor whether installations were making progress toward accomplishing goals and objectives identified in their plans. In addition, the most recent conservation measure of merit did not adequately capture the extent to which plans were implemented. The Office of the Deputy Under Secretary of Defense (Installations and Environment) and the Services should update their respective guidance and establish a tracking method for INRMP implementation and required metrics, which reports the progress installations make toward accomplishing goals and objectives identified in their plans and the identification of funding shortfalls.

The President's Management Agenda calls for a greater focus on performance by formally integrating performance review with budget decisions. DoD installations will have difficulty integrating performance and budget when projects in the plan cannot be matched to budget documentation.

Risks to the Military Mission

DoD installations not adhering to the Act are at risk for critical habitat designations, lawsuits, and public criticism, which may negatively affect the military mission. The Act states that plans should result in no net loss in the capability of military installation lands in support of the military mission for the installation. The USFWS Region 1 expects DoD INRMPs to address critical habitat designations and protection of threatened and endangered species without regard to the military mission.

Critical Habitat Designations. USFWS policy directs that critical habitat on DoD land shall not be designated as long as the plans provide a conservation benefit to threatened and endangered species, have reasonable assurance of being implemented, and include a monitoring program to show that the program protects threatened and endangered species. For example, Vandenberg Air Force Base, California, was exempt from critical habitat designation for the California red-legged frog because USFWS determined that habitat protection measures contained in the Vandenberg Air Force Base INRMP were sufficient to protect the California red-legged frog.

DoD installations with critical habitat designations must conduct Section 7 consultation with the USFWS for any action that is likely to have an adverse effect on the threatened or endangered species pursuant to the Endangered Species Act. Section 7 consultations could significantly delay mission-related activities and result in biological opinions that could severely restrict the flexibility of DoD training and testing activities. Based on the installations visited, critical habitat designations have affected the ability to train and test. However, those effects are not documented and cannot be measured or quantified.

Fort Hunter Liggett expects to be severely affected if the proposed critical habitat designation for the purple amole (threatened plant) is finalized near the mission-critical tank firing ranges. The proposed critical habitat designation would include inhabited areas and the surrounding areas because that habitat is suitable for the purple amole.

Environmental restrictions have caused unrealistic training scenarios during amphibious assault exercises at MCB Camp Pendleton. The western snowy plover (threatened bird) may nest on any MCB Camp Pendleton beach throughout the year. Marines need to entrench mortars along the beaches, as they would in a combat situation. The Marines were not allowed to do that, however, because entrenching mortars can disrupt nesting, frighten adult plovers, cause nest abandonment, and separate chicks from their parents.

About 60 percent of the beaches on Naval Base Coronado, California, which are used for amphibious assault exercises and Navy Sea-Air-Land training, are restricted from use during the 6-month western snowy plover breeding season. Because the Navy Sea-Air-Land units cannot use the beaches consistently throughout the entire year, they have moved some of their training activities elsewhere so that the training program can remain consistent for each class.

Litigation. DoD installations without a complete and coordinated INRMP may be subject to critical habitat designations by the USFWS. The USFWS decided not to designate areas of Marine Corps Air Station Miramar, California, as critical habitat because the installation had a plan in place. However, the Natural Resources Defense Council legally challenged the USFWS decision.

The Public Employees for Environmental Responsibility brought a lawsuit against Edwards Air Force Base, California, for not having a completed plan, not having sufficient numbers of adequately trained natural resources personnel, and contracting out the preparation of their plan. The allegation concerning Edwards Air Force Base not having a completed plan was dismissed because the lawsuit was brought before the November 18, 2001, deadline. The Air Force is waiting for a motion for dismissal on the other two allegations involving Edwards Air Force Base.

Conclusion

DoD made a positive attempt to meet the new requirements of the Act, but we identified additional areas for improvement. As of June 10, 2002, DoD completed 348 of 375 INRMPs (93 percent). DoD should emphasize completing the remaining plans and continue to resolve preparation and coordination issues that would ensure a better process when the 5-year updates are due. DoD is monitoring the preparation of the plans, but is not tracking the extent that INRMP goals and objectives are being accomplished. Additional management emphasis is needed to ensure optimum use of these plans as management tools.

Management Comments on the Finding and Audit Response

Army Comments. The Army disagreed with the finding discussion on critical habitat. The Army stated the finding did not adequately address critical habitat and no net loss from a broader perspective. The Army suggested the final report provide a direct evaluation of the sufficiency of DoD and Service guidance documents to ensure that INRMPs provide for no net loss in the capability to support military missions.

Audit Response. We agree with the Army that applying the no net loss aspect of the Sikes Act Improvement Amendments is difficult because other legal requirements, such as the Endangered Species Act, could cause a net loss on land use capability. However, evaluating sufficiency of the DoD and Service guidance documents to ensure INRMPs provide for no net loss in the capability to support military missions is beyond the scope of this report.

Navy Comments. The Navy disagreed that the Navy installations visited did not have methods in place to adequately monitor implementation of the plans. The Navy stated that one of the installations visited did have methods in place, specifically the Navy's Environmental Requirements Management System, to adequately monitor implementation of their INRMP. The Navy nonconcurred with the conditions of the finding, stating that the Commander, Navy Region Southeast resolved all of the issues related to their INRMPs and completed on schedule all of their INRMPs. The Navy also stated that Navy installations and commands used the Environmental Requirements Management System to track INRMP projects. The Navy nonconcurred with the status of Navy INRMPs and provided updated numbers. The Navy disagreed with the statement in the finding discussion that USFWS officials also expected to be more involved in the entire INRMP preparation process. The Navy stated that installations found that USFWS did not have the time or staff to support the INRMP coordination preparation and review process and suggested that we assess the ability or inability of the USFWS to support the INRMP preparation and review process. The Navy also nonconcurred with the statement in the finding discussion that Military Departments should use DoD Regional Environmental Coordinators to coordinate the INRMP process and resolve regional differences. The Navy stated INRMP issues fall within the scope and duties of installation natural resource personnel and Regional Environmental Coordinators do not have the manpower or funding for coordination of INRMPs. The Navy nonconcurred with the statement that the Services did not have a process to effectively monitor INRMP implementation. The Navy stated that the Environmental Requirements Management System and published Navy guidance provide Navy installations the tools to monitor INRMP implementation.

Audit Response. We recognize the ability of Commander, Navy Region Southeast to track the budgeting of the INRMP projects through the use of the Environmental Program Requirement system and recent steps the region has taken to match INRMP projects to specific Environmental Program Requirements in their schedules for each installation under their command. We also recognize that Navy INRMPs include project schedules with spaces to annotate completion dates by installations at the annual reviews. However, separate systems for tracking budget data and documenting the completion of integrated natural resources management plan projects are not sufficient for monitoring progress towards implementation of Navy INRMP projects. We recognize that the Commander, Navy Region Southeast successfully coordinated INRMPs with the respective USFWS local field offices and the State fish and wildlife agencies and completed all of their INRMPs on schedule. However, other Navy and Marine Corps sites visited either did not complete their INRMPs by the November 18, 2001, deadline or had difficulties coordinating INRMPs with the USFWS and State fish and wildlife agencies. At the time of our visit, Naval Base Coronado could not link projects listed in their INRMP to projects identified in budget documentation. Naval Base Coronado had begun to take steps to create a link between projects in the INRMP and budget documentation. Data reflected in the tables for status of Navy INRMPs were provided by and verified with the Naval Facilities Engineering Command prior to publication of the draft report. We have updated our tables, and we have revised our report to reflect management comments. We used requirements of the Sikes Act Improvement Amendments and data collected at site visits to determine USFWS expectations for involvement in the INRMP

preparation and review process. We agree with Navy's position that the Regional Environmental Coordinators are not resourced to resolve INRMP issues and using the Regional Environmental Coordinators for installation-specific INRMP development and implementation would be overburdening to the Regional Environmental Coordinator. Therefore, we have revised our discussion on the use of Regional Environmental Coordinators and deleted draft Recommendation 3. At the time of audit fieldwork, neither the Chief of Naval Operations nor Naval Facilities Engineering Command identified a system in place to monitor progress towards implementation of INRMP projects for the Navy as a whole.

Air Force Comments. The Air Force generally concurred with the finding. However, the Air Force took exception with several statements relative to Air Force compliance with the Sikes Act Improvement Amendments. The Air Force stated that they had issued numerous memorandums to establish the number of required plans and provide guidance on completion of plans. The Air Force also stated that Air Force Environmental Quality guidance issued on July 1, 1999, is policy to plan, program, and budget all level [class] 0 and level [class] I conservation requirements. The Air Force stated the term "sufficient time" was never defined and, therefore, the Air Force could neither concur nor nonconcur with the reasons why USFWS and State fish and wildlife officials could not plan and provide resources for the review of plans.

Audit Response. We acknowledge that the Air Force did make efforts to resolve issues and provide guidance for preparing and completing INRMPs; however, Air Force installations did not complete 23 INRMPs prior to the November 18, 2001, deadline. We define sufficient time as that time necessary to meet the November 18, 2001, deadline for completing INRMPs.

Recommendations, Management Comments, and Audit Response

Deleted Recommendation. As a result of management comments, we deleted draft Recommendation 3. relating to the Military Departments using DoD Regional Environmental Coordinators to coordinate and resolve regional differences concerning INRMPs.

1. We recommend that the Deputy Under Secretary of Defense (Installations and Environment) and the Services work aggressively to coordinate and complete all remaining integrated natural resources management plans.

Management Comments. The Deputy Under Secretary of Defense (Installations and Environment), Army, Navy, and Air Force concurred with the recommendation. The Deputy Under Secretary of Defense stated that their office and the Services, along with the USFWS and the International Association of Fish and Wildlife Agencies, have identified and corrected discrepancies between their different INRMP tracking systems and have agreed to establish a single spreadsheet to track the ongoing status of the required INRMPs. The Navy stated that Navy and Marine Corps commands are working to complete remaining plans. The Air Force stated that they are currently working with the USFWS and State fish and wildlife agencies to complete coordination on all plans.

2. We recommend that the Deputy Under Secretary of Defense (Installations and Environment), in collaboration with the Services, continue to jointly develop integrated natural resources management plans with the U.S. Fish and Wildlife Service by:

a. Establishing a coordination process with the U.S. Fish and Wildlife Service to ensure that installations work closely with U.S. Fish and Wildlife Service regional and field offices that:

(1) Establishes definitive schedules for integrated natural resources management plan reviews.

(2) Resolves stewardship issues regarding no net loss of military lands to support the military mission.

(3) Determines the degree that environmental contamination should be discussed in all integrated natural resources management plans.

Management Comments. The Deputy Under Secretary of Defense (Installations and Environment), Navy, and Air Force concurred with the recommendation. The Deputy Under Secretary of Defense stated that they will issue a new policy memorandum by October 15, 2002, that establishes definitive schedules for INRMP reviews, reaffirm how to address no net loss of military lands to support the military mission and define the degree to which environmental contamination should be discussed in all INRMPs. They are coordinating the policy memorandum with the USFWS and the International Association of Fish and Wildlife Agencies. The Navy stated that the DoD and USFWS are developing new guidelines on INRMPs using the Sikes Act Working Group. The Air Force stated that they are working with the Deputy Under Secretary of Defense (Installations and Environment) and the USFWS to establish a standardized coordination process and coordinate plans on a regional basis. The Army concurred with the recommendation, with the exception of subpart (2) with which they nonconcurred. The Army stated that the issue of no net loss is broader than critical habitat or the Endangered Species Act and the solution should have more substantive military influence before being subjected to the coordination process.

Audit Response. The Army comments to Recommendation 2.a.(2) are not responsive. We disagree with the Army nonconcurrence. Our recommendation for coordination is the result of difficulties reported in the development of

INRMPs. If implemented, the recommended coordination process should include all of the issues associated with no net loss of military lands that will support the military mission and preclude difficulties during the INRMP 5-year review process. We request that the Army reconsider its position on Recommendation 2.a.(2) in response to the final report.

b. Reconciling, on a routine basis, the number of installations required to prepare and implement integrated natural resources management plans and the number of integrated natural resources management plans coordinated with the U.S. Fish and Wildlife Service.

Management Comments. The Deputy Under Secretary of Defense (Installations and Environment), Army, Navy, and Air Force concurred with the recommendation. The Deputy Under Secretary of Defense stated that its office, the Military Services, the USFWS, and the International Association of Fish and Wildlife Agencies will continue to meet on a regular basis to track INRMP status and resolve issues of mutual concern.

c. Issuing policy to:

(1) Address agreements reached with the U.S. Fish and Wildlife Service on preparation and coordination of integrated natural resources management plans.

(2) Track the implementation of integrated natural resources management plans for installations and link plan projects with approved installation budgets to determine the extent to which the plans are funded, particularly for Class 0 and I items.

(3) Establish performance metrics for integrated natural resources management plans implementation and reviews and include those metrics in the conservation measure of merit and annual report to Congress.

Management Comments. The Deputy Under Secretary of Defense (Installations and Environment), Army, Navy, and Air Force concurred with the recommendation. The Deputy Under Secretary of Defense stated that the new policy memorandum issued by October 15, 2002, will address the subparts of the recommendation.

Appendix A. Scope and Methodology

Scope and Methodology

Work Performed. We analyzed DoD and Service policies and procedures, and the laws and acts related to INRMPs. We also reviewed published research and literature on INRMPs. We interviewed officials of the Deputy Under Secretary of Defense (Installations and Environment), DoD Component headquarters, DoD installations, USFWS, and State fish and wildlife agencies to obtain information on compliance of DoD with the Act concerning the preparation and coordination of plans and to assess the relationship between DoD and the civilian agencies.

We selected 10 installations representing each of the Services and 3 USFWS Regions to compare the INRMP process among the Services and USFWS Regions. We visited five installations in USFWS Region 1, four installations in Region 4, and one installation in Region 5. For USFWS Region 1, we selected installations identified as having difficulty completing their plans. We visited and reviewed the INRMP process at the following installations:

- Fort Bragg, North Carolina
- Fort Hunter Liggett, California
- Naval Air Station Jacksonville, Florida
- Naval Base Coronado (excluding San Clemente Island), California
- Pope Air Force Base, North Carolina
- Vandenberg Air Force Base, California
- Marine Corps Air Station Miramar, California
- MCB Camp Lejeune, North Carolina
- MCB Camp Pendleton, California
- MCB Quantico, Virginia

To determine whether DoD was adequately budgeting for projects under INRMPs and verify whether the projects were being budgeted over the duration of the plans, we compared the INRMP projects for the installations visited to budget documentation.

We performed this audit from August 2001 through June 2002 in accordance with generally accepted government auditing standards. Because the INRMP process was in its infancy, we did not track the plans through the budget process to verify adequate funding. We did not evaluate the budget process above the installation

level. We did not review classification of INRMP projects to verify whether projects were properly classified in accordance with the Environmental Quality Conservation Compliance Classes.

Use of Computer-Processed Data. We did not use computer-processed data to perform this audit.

Contacts During the Audit. We visited or contacted individuals and organizations within DoD, the Department of the Interior, and State fish and wildlife agencies.

Management Control Program Review

DoD Directive 5010.38, "Management Control (MC) Program," August 26, 1996, and DoD Instruction 5010.40, "Management Control (MC) Program Procedures," August 28, 1996, require DoD organizations to implement a comprehensive system of management controls that provides reasonable assurance that programs are operating as intended and to evaluate the adequacy of the controls.

Scope of the Review of the Management Control Program. We reviewed the adequacy of DoD management controls over INRMP preparation, coordination, and implementation. We also reviewed management's self-evaluation applicable to those controls.

Adequacy of Management Controls. We identified material management control weaknesses for DoD as defined by DoD Instruction 5010.40. DoD management controls over INRMP preparation, coordination, and implementation were not sufficient to ensure that the installations were not at risk for future critical habitat designations, environmental civil liability, negative affects on operations and military readiness, and strained relations with the USFWS. If management implements all recommendations, the preparation, coordination, and implementation of plans at installations will improve. A copy of the report will be provided to the senior official responsible for management controls in the Office of the Deputy Under Secretary of Defense (Installations and Environment) and the Departments of the Army, Navy, and Air Force.

Adequacy of Management's Self-Evaluation. DoD officials did not identify the preparation, coordination, and implementation of plans as an assessable unit and, therefore, did not identify or report the material management control weaknesses identified by the audit.

Prior Coverage

Army

Army Audit Agency, Report No. AA 02-099, "The Army Installation Conservation Program-Outleasing," December 19, 2001

Army Audit Agency, Report No. AA 01-420, "Army Forestry Program," August 22, 2001

Air Force

Air Force Audit Agency, Report No. 98052012, "Followup Audit – Natural and Cultural Resources," August 5, 1998

Appendix B. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense (Acquisition, Technology, and Logistics)
Deputy Under Secretary of Defense (Installations and Environment)
Under Secretary of Defense (Comptroller)/Chief Financial Officer
Deputy Chief Financial Officer
Deputy Comptroller (Program/Budget)

Department of the Army

Assistant Secretary of the Army (Financial Management and Comptroller)
Assistant Secretary of the Army (Installations and Environment)
Auditor General, Department of the Army

Department of the Navy

Commandant of the Marine Corps
Deputy Commandant for Installations and Logistics
Assistant Secretary of the Navy (Manpower and Reserve Affairs)
Assistant Secretary of the Navy (Installations and Environment)
Naval Inspector General
Auditor General, Department of the Navy

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller)
Assistant Secretary of the Air Force (Installations, Environment, and Logistics)
Auditor General, Department of the Air Force

Other Defense Organizations

Director, Defense Logistics Agency

Non-Defense Federal Organizations and Individuals

Office of Management and Budget
U.S. Fish and Wildlife Service

Congressional Committees and Subcommittees, Chairman and Ranking Minority Member

Senate Committee on Appropriations
Senate Subcommittee on Defense, Committee on Appropriations
Senate Committee on Armed Services
Senate Committee on Governmental Affairs
House Committee on Appropriations
House Subcommittee on Defense, Committee on Appropriations
House Committee on Armed Services
House Committee on Government Reform
House Subcommittee on Government Efficiency, Financial Management, and Intergovernmental Relations, Committee on Government Reform
House Subcommittee on National Security, Veterans Affairs, and International Relations, Committee on Government Reform
House Subcommittee on Technology and Procurement Policy, Committee on Government Reform

Deputy Under Secretary of Defense (Installations and Environment) Comments



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

AUG 21 2002

MEMORANDUM FOR DIRECTOR, CONTRACT MANAGEMENT DIVISION
INSPECTOR GENERAL DEPARTMENT OF DEFENSE

THRU: DIRECTOR, ACQUISITION RESOURCES AND ANALYSIS *78/2/02*

SUBJECT: DoD Response to Recommendations from DoD IG Draft Report D2001CK-0150, "DoD Integrated Natural Resource Management Plans"

Thank you for the opportunity to comment on the subject report. I have attached our response. We generally concur with your findings. With respect to your specific recommendation that the Military Departments use DoD regional environmental coordinators to coordinate the INRMP process and resolve regional differences, we suggest that this be done only "as appropriate."

If you have any questions, please contact Mr. Peter Boice at (703) 604-0524.

Philip W. Grone

Principal Assistant Deputy Under Secretary of Defense
(Installations and Environment)

Attachment:
As stated

**DEPARTMENT OF DEFENSE RESPONSE TO RECOMMENDATIONS FROM
DOD INSPECTOR GENERAL DRAFT REPORT D2001CK-0150
“DOD INTEGRATED NATURAL RESOURCES MANAGEMENT PLANS”**

Recommendation 1. We recommend that the Deputy Under Secretary of Defense (Installations and Environment) and the Services work aggressively to coordinate and complete all remaining integrated natural resource management plans (INRMPs).

Response 1. Concur. The ODUSD(I&E) and the Military Services have been meeting with the U.S. Fish and Wildlife Service and the International Association of Fish and Wildlife Agencies, which represents the State fish and wildlife agencies, since March 2001 to identify which INRMPs require completion and to resolve issues of mutual concern. The various parties have identified and corrected discrepancies between their different INRMP tracking systems and have agreed to establish a single spreadsheet to track the ongoing status of all required INRMPs. That spreadsheet is attached.

Recommendation 2. We recommend that the Deputy Under Secretary of Defense (Installations and Environment), in collaboration with the Services, continue to jointly develop and implement INRMPs with the U.S. Fish and Wildlife Service by:

- a. Establishing a coordination process with the U.S. Fish and Wildlife Service to ensure that installations work closely with the U.S. Fish and Wildlife Service regional and field offices to:**
 - (1) Establish definitive schedules for INRMP reviews,**
 - (2) Resolve stewardship issues regarding no net loss of military lands to support the military mission, and**
 - (3) Determine the degree that environmental contamination should be discussed in all INRMPs.**

Response 2.a. Concur. The ODUSD(I&E) will issue a new policy memo, “Implementation of Sikes Act Improvement Amendments: Updated Guidance,” by October 15, 2002. We are currently coordinating this final draft with the U.S. Fish and Wildlife Service and the International Association of Fish and Wildlife Agencies. This memo will:

- (1) Establish definitive schedules for INRMP reviews.
- (2) Reaffirm how to address “no net loss of military lands to support the military mission”. We disagree with the U.S. Fish and Wildlife Service Region 1 comment on page 10 of your draft report because our existing guidance explicitly acknowledges that net loss may be unavoidable to fulfill regulatory requirements such as the Endangered Species Act.
- (3) Define the degree to which environmental contamination should be discussed in all INRMPs. The Department of Defense and Headquarters,

U.S. Fish and Wildlife Service agree that INRMPs should provide a summary of key relationships between natural resources and contaminants, but should not include detailed information that is already available as part of the administrative record supporting the Installation Restoration Program.

b. Reconciling, on a routine basis, the number of installations required to prepare and implement INRMPs and the number of INRMPs coordinated with the U.S. Fish and Wildlife Service.

Response 2.b. Concur. The ODUSD(I&E), the Military Services, the U.S. Fish and Wildlife Service, and the International Association of Fish and Wildlife Agencies will continue to meet on a regular basis to track INRMP status and to resolve issues of mutual concern. The various parties have identified and corrected discrepancies between their different INRMP tracking systems and have agreed to establish a single spreadsheet to track the ongoing status of all required INRMPs. That spreadsheet is attached.

c. Issuing policy to:

- (1) Address agreements reached with the U.S. Fish and Wildlife Service on preparation and coordination of INRMPs;**
- (2) Track the implementation of INRMPs for installations and link plan projects with approved installation budgets to determine the extent to which the plans are funded, particularly for Class 0 and 1 items; and**
- (3) Establish performance metrics for INRMP implementation and reviews and include those metrics in the conservation measure of merit and annual report to Congress.**

Response 2.c. Concur. The ODUSD(I&E) will issue a new policy memo, "Implementation of Sikes Act Improvement Amendments: Updated Guidance," by October 15, 2002. We are currently coordinating this final draft with the U.S. Fish and Wildlife Service and the International Association of Fish and Wildlife Agencies. This memo will:

- (1) Address agreements reached with the U.S. Fish and Wildlife Service on preparation and coordination of INRMPs. This guidance also provides for coordination with the International Association of Fish and Wildlife Agencies.
- (2) Track the implementation of INRMPs for installations and links projects with approved installation budgets to determine the extent to which the plans are funded, particularly for Class 0 and 1 items.
- (3) Establish performance metrics for INRMP implementation and reviews and include those metrics in the conservation measure of merit and annual report to Congress.

Recommendation 3. We recommend the Military Departments use DoD regional environmental coordinators to coordinate the INRMP process and resolve regional differences between DoD installations, U.S. Fish and Wildlife Service, and State fish and wildlife agencies concerning the INRMP process.

Response 3. Partially concur. INRMPs are first and foremost installation-specific planning tools, and do not automatically require regional coordination. Although certain INRMP issues may apply in a regional context, the development and implementation of an actual INRMP does not necessarily require the active participation of a DoD regional environmental coordinator. We suggest that this recommendation be amended by adding “as appropriate” after “use DoD regional environmental coordinators.”

| Military Service | State | SubCommand | Installation Name | FWS Region | Year Most Recent NEIAP Completed | Date Next NEIAP Expected | Date Draft NEIAP Submitted to FWS/State | Date Public Review Complete | Date State Concurrence Received | FWS Region Concurrence Received | Final Completion Date * | Comments or Explanations | |
|------------------|-------|------------|-------------------|------------|----------------------------------|--------------------------|---|-----------------------------|---------------------------------|---------------------------------|-------------------------|--------------------------|-------|
| | | | | | | | | | | | | DoD | State |
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| | | | | | | | | | | | | | |

*Note: Final date of completion = date CO signs an NEIAP which has completed public review and received State and Regional FWS concurrence (unless otherwise noted)

Department of the Army Comments



DEPARTMENT OF THE ARMY
ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT
600 ARMY PENTAGON
WASHINGTON DC 20310-0600

DAIM-ED-N (200-3)

22 AUG 2002

MEMORANDUM THRU

~~DIRECTOR OF ARMY STAFF~~ *28 AUG 02*

FOR INSPECTOR GENERAL, DEPARTMENT OF DEFENSE, 400 ARMY NAVY
DRIVE, ARLINGTON, VA 22202-4704

SUBJECT: Comments on Draft Report - Integrated Natural Resources Management
Plans (Project No. D2001CK-0150)

1. We concur with recommendation one, concur with all but one element of
recommendation two, and non-concur with recommendation three. Our comments
follow:

a. Finding - Risk to Military Installations. Non-concur. The finding addresses critical
habitat adequately, but it does not adequately address "no net loss" from the broader
perspective. One of the most important elements of the Sikes Act is the requirement
that Integrated Natural Resources Management Plans (INRMPs) shall provide for "no
net loss in the capability of military installation lands to support the military mission."
The finding identifies a possible discrepancy in the Sikes Act and the expectations of
the US Fish and Wildlife Service (USFWS), Region 1 without providing resolution or
principles that should be considered. The discrepancy is a difficult one because
requirements of the Endangered Species Act incorporated into the INRMP could and do
legitimately cause a net loss on land use capability. However, the discussion should
discriminate between requirements imposed by other laws and those that are solely
requirements of the INRMP/Sikes Act. Recommend that the final report provide a direct
evaluation of the sufficiency of DoD and Service guidance documents to assure
INRMPs provide for no net loss in the capability to support our military missions.

b. Recommendation 1 - Deputy Under Secretary of Defense (Installations and
Environment) and Services work aggressively to coordinate and complete all remaining
INRMPs. Concur.

c. Recommendation 2a(1) - Establish a coordination process to establish definitive
schedules for INRMP reviews. Concur.

DAIM-ED-N (200-3)

SUBJECT: Comments on Draft Report - Integrated Natural Resources Management Plans (Project No. D2001CK-0150)

d. Recommendation 2a(2) - Establish a coordination process to resolve stewardship issues regarding no net loss of military lands to support the military mission. Non-concur. The issue of no net loss is broader than the critical habitat (adequately discussed in "Risk to Military Installations") or the Endangered Species Act. The solution should have more substantive military influence before being subjected to the coordination process. If the no net loss evaluation recommended in paragraph 1, above, is accomplished, this recommendation may change. This recommendation should be reconsidered based on a more direct evaluation of the assurance that INRMPs will be able to provide no net loss in the capability to support our military missions.

e. Recommendation 2a(3) - Establish a coordination process to determine the degree that environmental contamination should be discussed in all INRMPs. Concur.

f. Recommendation 2b - Reconciling, on a routine basis, the number of installations required to prepare and implement INRMPs and the number of INRMPs coordinated with the USFWS. Concur.

g. Recommendation 2c(1), (2), and (3) - Issuing policy to address agreements with the USFWS, track INRMP implementation, and establish performance metrics. Concur.

h. Recommendation 3 - Use DoD regional environmental coordinators to coordinate INRMP process and resolve differences. Non-concur. The regional environmental coordinators are not staffed with appropriate personnel to mediate conservation issues with Sikes Act agencies. The Army is reorganizing into Regions under Transformation of Installation Management in October 2002. The Army Regions will be better staffed to understand and resolve Army INRMP issues on a regional basis. Recommend deletion or modification of the recommendation. One alternative for consideration "Recommend Military Departments assess and implement processes to resolve INRMP differences on a regional basis."

i. Other General Comments.

(1) Page 3, Effects of Critical Habitat Designations, second sentence that begins "The FY 2003 Defense Authorization Bill....". The Army non-concurs that the FY 2003 Defense Authorization Bill proposal would grant DoD "broad exemptions from the Endangered Species Act and the Migratory Bird Treaty Act." The proposal does not seek "broad exemptions"; it seeks narrow "clarifications." Suggest that you insert that the FY 2003 Defense Authorization Bill contains language that "seeks to codify existing

Deleted

Revised

DAIM-ED-N (200-3)

SUBJECT: Comments on Draft Report - Integrated Natural Resources Management Plans (Project No. D2001CK-0150)

USFWS policy regarding approved INRMPs with respect to the Endangered Species Act." Current USFWS policy is to not designate critical habitat on DoD lands as long as the INRMPs provide a conservation benefit to listed species, have reasonable assurances of being implemented, and include a monitoring program to show the conservation benefit to the affected species. Suggest deletion of the Migratory Bird Treaty Act, as the proposed clarifications (the aforementioned provisions of the FY2003 Defense Authorization Bill) have little relevance to analysis of our INRMPs.

Revised

(2) Page 5, third bullet under the title "Status of DoD INRMPs". Recommend changing "a biological opinion" to "an affects issue" or simply delete "on a biological opinion". Federal agencies are required to consult on actions not on the biological opinion; the biological opinion is a result of the consultation.

Revised

(3) Page 7, INRMP Workload, first paragraph. The statement "Meetings between DoD and the USFWS were unsuccessful in reaching a consensus on the total number of installations requiring a plan" incorrectly implies that there was disagreement on installations that should have INRMPs. The DoD and the USFWS did not disagree on installations requiring INRMPs; rather the USFWS and military databases were not successfully reconciled initially. The causes were use of different installation names and initial exclusion of installations that had already completed INRMPs before the database was established. A more accurate statement is "USFWS and DOD databases did not reflect consistency in number of plans required. The issue was recognized by both organizations and is nearing resolution now."

Revised

(4) Page 7, INRMP Workload, third paragraph - DoD, USFWS, and State fish and wildlife agencies should reaffirm their goal to cooperatively manage natural resources on military lands. Suggest changing this sentence to be more precise. The USFWS and the State fish and wildlife agencies cooperatively plan, but these agencies do not always participate in the management on military installations.

Revised

(5) Page 8, line 5-9 referring to the DoD regional environmental coordinators. If our recommendation in paragraph 8, above, is adopted, these lines would need modification.

DAIM-ED-N (200-3)

SUBJECT: Comments on Draft Report - Integrated Natural Resources Management Plans (Project No. D2001CK-0150)

2. Coordination. This action was coordinated with ODASA(ESOH) (Ms. Williams), DAMO-TRS (Mr. Richan), DAJA-EL (CPT Hatch), and AEC (Mr. Sekscienski).
3. The point of contact is Mr. Bill Woodson, (703) 693-0680.



LARRY J. LUST
Major General, GS
Assistant Chief of Staff
for Installation Management

Mr. Bill Woodson/693-0680

CF:
SAAG-PMO-S
SAIE-ESOH

Department of the Navy Comments



DEPARTMENT OF THE NAVY
THE ASSISTANT SECRETARY OF THE NAVY
(INSTALLATIONS AND ENVIRONMENT)
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

AUG 21 2002

MEMORANDUM FOR THE INSPECTOR GENERAL, DEPARTMENT OF DEFENSE

Subj: DODIG DRAFT REPORT - DOD INTEGRATED NATURAL RESOURCES
MANAGEMENT PLANS (PROJECT CODE D2001CK-0150)

Encl: (1) DON comments to subject report

Thank you for the opportunity to review and comment on the draft report entitled "Integrated Natural Resources Management Plans."

The Department of the Navy concurs with the vast majority of the report's recommendations. There are, however, a number of report findings for which we non-concur. The basis for our non-concurrence is detailed in enclosure (1), as are several general comments to improve the report.

My action officer for this audit is Mr. Thomas Egeland at (703) 588-6671, should you have any questions or need additional information.

A handwritten signature in black ink, appearing to read "HT Johnson".

H. T. Johnson

Copy to:
CNO (N4)
CMC (LF)

DEPARTMENT OF THE NAVY COMMENTS
DODIG DRAFT REPORT – INTEGRATED NATURAL RESOURCES
MANAGEMENT PLANS, 21 JUNE 2002, (PROJECT NO. D2001CK-0150)

Revised

1. Finding - Effects of Critical Habitat Designations, page 3. (*"The FY 2003 Defense Authorization Bill contains language that would grant DOD broad exemptions from the Endangered Species Act and the Migratory Bird Treaty Act."*) **Non-concur.** Currently, only the House version of the FY 2003 Defense Authorization Bill contains language concerning the Endangered Species Act and it is not known what provisions will be included in the final version of the Authorization Bill. DOD is not seeking "broad exemptions" from the Endangered Species Act or Migratory Bird Treaty Act, but rather narrow clarifications to select provisions of these laws. The FY 2003 Defense Authorization Bill contains language that would preclude critical habitat designation from military lands where the U.S. Fish and Wildlife Service (USFWS) finds an effective Integrated Natural Resources Management Plan (INRMP) is being implemented provided the INRMP provides a conservation benefit to the species, has reasonable assurances of being implemented, and includes a monitoring program to show the conservation benefit to the affected species. This is in keeping with current USFWS policy. The Bill also seeks to restore the interpretation of the Migratory Bird Treaty Act (MBTA) that existed before March 2002 when a court held that the MBTA applied to military readiness activities that incidentally took migratory birds. Please clarify the report to indicate DOD is not seeking broad legislative exemptions and consider deleting reference to the MBTA as it has questionable relevance to the INRMP analysis.

2. Finding – Compliance with the Sikes Act Improvement Amendments page 4. (*"All 10 installations visited did not have methods in place to adequately monitor the implementation of the plans."*). **Non-concur.** The Naval Air Station Jacksonville, FL (an installation visited by the IG) successfully matched each of the projects listed in their INRMP with projects in the Navy's Environmental Requirements Management System (ERMS) computer database. This database provides documentation for each INRMP project. The project is described, budget data is provided, and implementation dates are provided as well as estimated completion dates. All levels of authority in the Navy have access to the ERMS database. Projects that are not being implemented or completed can be easily tracked. The INRMP also contains project tables with spaces to annotate completion dates for each project that are to be filled out during the annual review meeting with the USFWS and state wildlife agency. These annual meetings are called for in the INRMP and there is an ERMS project providing funding for these yearly meetings in the ERMS database for each Installation in Command Navy Region Southeast's (CNRSE) area of responsibility (AOR). The ERMS database and the planned annual reviews with the wildlife agencies provide INRMP project documentation, agency coordination, and implementation tracking. Navy also requires in its INRMPs a Summary of Implementation Projects per the September 1998 *Guidelines for Preparing Integrated Natural Resources Management Plans for Navy Installations (Page 16 and Appendix IV)*. These tables are to include a tracking system for projects to implement the INRMP and therefore provide a tool to monitor the implementation of an INRMP. The

draft IG report missed an opportunity to acknowledge the merits of NAS Jacksonville's INRMP project tracking system and protocol for emulation by the other Services.

3. Finding – Compliance with the Sikes Act Improvement Amendments, page 4. (“These conditions occurred because the Office of the Secretary of Defense (Installations and Environment) and the Services did not: resolve issues for completing plans; resolve issues and establish procedures for coordinating plans with the USFWS and State agencies; establish procedures for integrating INRMP implementation with budget documentation; and, establish procedures for tracking the implementation of the plans.”)

Non-concur. Commander Naval Region Southeast (CNRSE), which has cognizance over audited NAS Jacksonville, resolved all issues related to their INRMPs and completed all of their INRMPs on schedule. NAS Jacksonville established communication procedures with their perspective USFWS local field office and the state fish and game commission to coordinate their INRMP and established timelines with federal and state authorities for annual updates and reviews of their INRMP. [USFWS and states were overwhelmed with the number of INRMPs requiring review from each of the military services and INRMP reviews had to compete with other USFWS and state priorities.] Concerning budget documentation, all Navy installations and commands use the ERMS system to track projects and program for projects. The ERMS is web-based and user friendly. Projects submitted in connection with INRMPs are incorporated into the ERMS system, providing a direct link to funding requirements and the regulatory authorities connected to each project. Lastly, CNRSE has in place procedures to track implementation of INRMPs, and procedures for installation INRMP annual reviews and updates through the Commander, Naval Facilities Engineering Command's Southern and Atlantic Divisions.

4. Finding - *Status of DOD INRMPs*, page 5. **Non-concur.** Tables 1 and 2 are not accurate for the Navy. Correct numbers for the Navy are:

Table 1. Status of DOD INRMPs as of November 18, 2001

| | Plans <u>Required</u> | Plans <u>Finalized</u> | Drafts in <u>Review</u> | Drafts in <u>Litigation</u> | Incomplete <u>Drafts</u> |
|------|--------------------------|---------------------------|----------------------------|--------------------------------|-----------------------------|
| Navy | 87 | 65 | 18 | 0 | 4 |

Table 2. Status of DOD INRMPs as of June 10, 2002

| | Plans <u>Required</u> | Plans <u>Finalized</u> | Drafts in <u>Review</u> | Drafts in <u>Litigation</u> | Incomplete <u>Drafts</u> |
|------|--------------------------|---------------------------|----------------------------|--------------------------------|-----------------------------|
| Navy | 87 | 81 | 5 | 0 | 1 |

5. Finding - *INRMP Preparation*, page 5. **Non-concur** with statement “USFWS officials also expected to be more involved in the entire INRMP preparation process.” Navy installations found that USFWS field staff did not have the time or staff to support the DOD INRMP coordination preparation and review process. Recommend the IG assess the ability, or lack thereof, of the USFWS to support INRMP preparation and reviews in coordination with DOD per the SAIA mandate.

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Revised

6. Finding - Regional Environmental Coordinators, page 8. **Non-concur** with sentence that states: "The Military Departments should use DOD regional environmental coordinators to coordinate the INRMP process and resolve regional differences between DOD installations, USFWS, and State fish and wildlife agencies concerning the INRMP process." Although INRMP issues between DOD and USFWS are regionalized, affect multiple Services, and affect DOD training and operations, INRMP issues fall within the scope and duties of installation natural resource planners and management personnel. The Regional Environmental Coordinators do not have the manpower or funding to be responsible for coordination of INRMPs nor to work on the level of detail involved to resolve regional differences between DOD installations or federal or state fish and wildlife offices. While certain INRMP issues may apply in a regional context, the development and implementation of an actual INRMP does not necessarily require the active participation of a DOD REC. In fact, DOD Instruction 4715.2 seems to actually prohibit DOD RECs from direct negotiations with regulatory agencies concerning an installation's INRMP contents. The following is a direct excerpt from DODINST 4715.2:

"5.3. The DOD RECs shall not:

5.3.1. Develop Environmental Security policy. ...

5.3.3. Negotiate or sign agreements related to compliance, cleanup, or other environmental security matters at another Component's installation."

7. Finding - Tracking INRMP Implementation, page 9, "*The Office of the Deputy Under Secretary of Defense (Installations and Environment) and the Services did not have a process to effectively track the implementation of INRMP projects.*" **Non-concur.** The Navy has a process for tracking INRMP project implementation using ERMS. In addition, the Navy's September 1998 *Guidelines for Preparing Integrated Natural Resources Management Plans for Navy Installations*, recommends Navy INRMPs include a Summary of Implementation Projects (Page 16 and Appendix IV). These tables are to include a tracking system for projects to implement the INRMP and provide a tool to monitor INRMP implementation.

8. Recommendation 1. *Deputy Under Secretary of Defense (Installations and Environment) and Services work aggressively to coordinate and complete all remaining INRMPs.* **Concur.** Navy and Marine Corps commands are working to complete remaining INRMPs.

9. Recommendation 2a with subparts. *Establish a coordination process to establish definitive schedules; resolve stewardship issues regarding no net loss of military lands to support the mission, and to determine the degree that environmental contamination should be discussed in all INRMPs.* **Concur.** DOD and U.S. Fish and Wildlife Service are developing new guidelines on INRMPs for each of these recommendations using the Sikes Act Working Group. Navy anticipates DOD will have these guidelines finalized in September 2002 and USFWS is providing input on the draft DOD Guidelines. USFWS has not given a date as to when they expect to have their guidelines finished. These

essential that DOD and services get a chance to review and comment on the USFWS guidelines. Early in the development of INRMPs, Navy had problems like the other services with USFWS on issues related to what needed to be in INRMPs related to contamination. This was resolved for the Navy.

10. Recommendation 2b. *Reconciling, on a routine basis, the number of installations required to prepare and implement INRMPs and the number of INRMPs coordinated with the USFWS. Concur.*

11. Recommendation 2c(1), (2), and (3). *Issuing policy to address agreements with the USFWS, track INRMP implementation, and establish performance metrics. Concur.* DOD, Services and USFWS are drafting guidelines and metrics to address the recommendations in this section. Anticipate finalization of these by September 2002. Navy already has in place the ERMS system to track implementation of INRMPs linked to budget.

12. Recommendation 3. *Military Departments use DOD regional environmental coordinators to coordinate INRMP process and resolve differences. Non-concur.* Refer to comments provided in paragraph 6 above.

13. Other Comments.

a. Page 13, Appendix A, under "Work Performed", change "Naval Base Coronado" to read "Naval Base Coronado (excluding San Clemente Island)"

b. Page 14, Management Control Program Review. The issue of management control was discussed during the DOD IG visit to NAS Jacksonville. The general statement that there is a weakness when it comes to risk elements associated with preparation, coordination, and implementation of the plans is not indicative of the controls, implementation and coordination that Navy has developed to implement INRMPs, and the use of the ERMS by Navy.

c. Page 2, INRMP Coordination, 3rd Line: Substitute "shall" for "should."

d. Page 2, Consultations, 2nd Line: Substitute "is likely to" for "could."

e. Page 3, Critical Habitat: Recommend inserting the following as the second to last sentence; "Alternately, if special management considerations or protections are in place, there may be no need to designate critical habitat."

f. Page 7, INRMP Workload, non-concur: The third paragraph states that DOD, USFWS, and State fish and wildlife agencies should reaffirm their goal to cooperatively manage natural resources on military lands. A citation identifying where the DOD goal to cooperatively manage natural resources came from should be added. The Sikes Act directs cooperative development of plans, which is different from cooperative management. The Federal and State Fish and Wildlife offices, while resourced to assist in

developing and reviewing management plans, have not been resourced to coordinate INRMP implementation.

g. Page 8, Regional Environmental Coordinators, second sentence: Omit the words following the semi-colon and end the sentence after the word operations. Revise the last sentence to read: The Military Departments should ensure DOD regional environmental coordinators are aware of policy or procedural differences between DOD and US or State FWS in the INRMP process and if needed, play a role in resolving disagreements.

Revised

h. Page 9, Tracking INRMP Implementation, comments: The need to adaptively manage natural resources will have to be carefully incorporated into the monitoring process to encourage proper management and not just reporting what percent of planned projects were completed.

i. Page 10, Critical Habitat Designations, 2nd Para. 1st Sent: Substitute "Section 7 formal consultation with the USFWS for any action that is likely to adversely affect" for "Section 7 consultation with the USFWS for any action that may have an adverse effect."

Revised

j. Page 11, Recommendation No. 2. The statement "We recommend that the Deputy Under Secretary of Defense, in collaboration with the Services, *continue to jointly develop and implement INRMPs with the U.S. Fish and Wildlife Service*" is not representative of the current situation. USFWS may be involved with development of INRMPs through their review, however they do not implement the plans in any way.

Revised
Page 14

k. Page 11, Recommendation No. 2a(3). The degree to which environmental contamination should be discussed in INRMPs was intended by collaborators and authors of the SAIA, to be a summary of the base programs such as hazardous material management and spill response, installation remedial investigations and feasibility studies (RI/FS) under the Comprehensive Environmental Restoration and Compensation Liability Act (CERCLA). The INRMP should summarize and reference where to obtain detailed contaminant information. HR Conference Report 105-340 to the SAIA states "The conferees agree that reauthorization of the Sikes Act is not intended to expand the management authority of the US Fish and Wildlife Service's or State Fish and Wildlife agencies in relation to military lands." We welcome the FWS input on potential effects of contaminants, through existing authorization and during the RI/FS portion of the CERCLA process. Also, the MOU between DOD, USFWS for the Ecosystem-Based Manage of Fish, Wildlife and Plant Resources on Military Lands does not stipulate detailed contaminants information be included, but states the USFWS, subject to availability of funding and upon request of the DOD, promote technical assistance regarding the suitability of any areas identified by DOD as potentially having environmental contaminant problems, including advice on restoration activities, as appropriate, that may affect natural resources.

Page 14

l. Page 3, "Effects of Critical Habitat Designation." It should be made clear that exemption of critical habitat designation does not absolve an installation from addressing already listed species and Section 7 consultations. In most instances, issues related to the

Revised

“may effect” of a listed species result in the training restrictions and encumbrances (not issues related solely to critical habitat).

m. Page 4, last sentence of second paragraph declares that, “. . . DOD had an increased risk for critical habitat designations . . .”. It is possible that DOD might not have taken full advantage of a potential opportunity, but stating that DOD had an increased risk may be misleading. Even having an INRMP in place at an installation is no guarantee of exclusion of critical habitat designation (as several recent critical habitat listings demonstrate).

Department of the Air Force Comments



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON DC

07 AUG 2002

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING
OFFICE OF THE INSPECTOR GENERAL
DEPARTMENT OF DEFENSE

FROM: HQ USAF/ILE

SUBJECT: DoDIG Draft Report, DoD Integrated Natural Resources Management Plans, 21 Jun 02,
(Project Code D2001CK-0150)

This is in reply to your memorandum requesting the Assistant Secretary of the Air Force
(Financial Management and Comptroller) provide Air Force comments on subject report.

We have reviewed subject report and concur with the recommendations made by the DoD IG.
The Air Force is currently working with the US Fish and Wildlife Service (FWS) as well as State Fish
and Game agencies to complete coordination on all plans. In addition, we are working with DUSD
(I&E) and the FWS to establish a standardized coordination process and coordinate plans on a regional
basis.

Although we concur with the recommendations made by the DoD IG, we wish to rebut several
statements made relative to compliance with Sikes Act Improvement Amendments. Specific
comments are attached.

We appreciate the opportunity to comment on this report. If the members of your staff have
any questions, please have them contact our POC, Lt Col Alan Holck, HQ USAF/ILEVQ at (703) 604-
0632, email alan.holck@pentagon.af.mil

Kathleen I. Ferguson
KATHLEEN I. FERGUSON, PE
The Deputy Civil Engineer
DCS/Installations & Logistics

Attachment:
Comments

Air Force Comments

The Air Force has reviewed the draft IG report and generally concurs with the findings and statements of fact, as we know them. However, the following clarifications should be made:

1. Points covered under "Compliance with the Sikes Act Improvement Amendments" (Page 4 of Draft Report).

a. 'the Air Force did not resolve issues for completing plans'. HQ USAF/ILEVP issued numerous memoranda (02 Nov 98, HQ USAF/ILEV to DUSD (ES); 26 Jul 00, HQ USAF/ILEV to ALMAJCOM/CEV; 30 Jan 01, HQ USAF/ILEV to ALMAJCOM/CEV; 22 Feb 01, USAF/ILEV to ALMAJCOM/CEV; 19 Jul 01, HQ USAF/ILEV to ALMAJCOM/CEV, 09 Aug 01 e-mail, HQ USAF/ILEV to ALMAJCOM/CEV) to establish the number of required plans and provide guidance to Major Commands (MAJCOM)/Installations on completion of Integrated Natural Resource Management Plans (INRMPs).

b. 'the Air Force did not resolve issues and establish procedures for coordinating plans with USFWS and State agencies'. In addition to several of the memoranda mentioned above, HQ USAF/ILEV distributed memoranda generated by the US FWS (16 Jan 01, Directors to Regional Directors; 12 Mar 01 Acting Deputy Director to Regional Directors; 8 Jun 01, Acting Director to Regional Directors), and IAFWA (29 Mar 01, Gary Taylor to States) providing guidance for submission and approval of INRMPs.

c. 'the Air Force did not establish procedures for integrating INRMP implementation with budget documentation'. As outlined in Air Force Environmental Quality guidance issued by AF/ILEV on 1 July 1999, it is Air Force policy to plan, program, and budget for all Level 0 and Level 1 conservation requirements consistent with timely execution to meet legal or policy-driven deadlines and sound balanced program management. One of the principal legal drivers for the Conservation Program is the Sikes Act. Level 0 or Recurring Conservation Requirements are continuing "must-do" activities and projects necessary to execute the Air Force Conservation Program. Level 0 requirements include activities necessary to cover the recurring administrative, personnel, and other costs associated with managing Conservation Programs that are necessary to meet compliance obligations or which are in direct support of the military mission. Recurring items are defined as occurring on an annual or more frequent basis. Typical examples include, but are not limited to civilian pay, training, and on-going protection, mitigation, and restoration efforts that are identified in an approved Integrated Natural Resources Management Plan (INRMP). Level 1 or Non-Recurring Conservation Requirements (i.e. occurring only once, or less than once a year) corrects an out-of-compliance condition with a valid driver in the year programmed. Valid drivers include federal laws, legal or regulatory mandates (e.g.: restoration of wetlands, floodplains and similar mitigation, protection, restoration and enhancements) that implement a Sikes Act-coordinated INRMP and preparation of environmental baseline survey documents in support of real property transactions. Implementation of the INRMP is now a Level requirement.

2. 'Delays occurred because installations did not give the reviewing agencies sufficient time to review the plans' (bottom of page 4). 'Some USFWS and State fish and wildlife officials stated that they could not effectively plan and provide resources for the review of plans because installations did not give them sufficient notice of when they would receive the plans for review' (middle of page 5). The Air Force can neither concur nor non-concur with the previous statements in the report due to the use of the word "sufficient". USFWS and State have never defined this term in the context of review responsibilities. No definite lead time has been established across all USFWS regions and State agencies to know precisely what constitutes a reasonable period of time to complete the review process.

3. The report duly notes that delays in completing INRMPs puts DoD installations at greater risk for critical habitat designation, lawsuits and public criticism. Lack of adequate coordination between agencies is also a big issue to be concerned with in litigation--if we can't "get along with FWS or state agencies," that's just more fuel for potential plaintiffs to burn us with.

Team Members

The Contract Management Directorate, Office of the Assistant Inspector General for Auditing of the Department of Defense prepared this report. Personnel of the Office of the Inspector General of the Department of Defense who contributed to the report are listed below.

Garold E. Stephenson

William C. Gallagher

Michael R. Herbaugh

Beth K. Schaefer

Jason M. Yovich

David E. Petko